

Scaling capacity through cost and energy discipline

Cement demand in South India improved steadily through 2025, supported by infrastructure activity and industry consolidation. We closely monitored both the level and pace of demand growth while, in parallel, taking preparatory steps toward a potential brownfield expansion at our Cement segment's Suryapet site in India. Our objective is to add capacity at an appropriate point in the cycle, aligned with our investment criteria. During 2025, we obtained the required approvals and initiated the planning and engineering activities to expand the site's production capacity from 1.5 MnTPA to approximately 3.8 MnTPA. The proposed scope includes a 7 MW waste heat recovery power system and increased use of green power. These initiatives are expected to improve energy efficiency and enhance cost stability, subject to final investment decisions and implementation timelines.



By late 2025, cement market growth had not yet reached our internal threshold for commencing major construction. Accordingly, we maintained financial discipline by progressing selected long-term initiatives while moderating near-term capital commitments. These initiatives included expanding onsite solar power capacity by 2.10 MW and constructing a new school near the plant, expected to benefit approximately 2,000 students from surrounding communities. At the same time, we exercised prudent cost management by deferring groundbreaking for the new cement production line and the waste heat recovery system until market conditions meet our investment target criteria.

Beyond these examples of expansion and restraint, we continued in 2025 to prioritise investments across all three segments in process upgrades, logistics optimisation, and alternative raw-material usage, rather than pursuing indiscriminate capacity additions. By adding scale where economics, energy efficiency, and operational readiness align, we strengthened competitiveness and positioned the business to respond to long-term structural demand.